

(537)

F-02

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

N.M. OFFICE DIV-DEPT
1301 W. Grand Avenue
Artesia, NM 88210

Form approved.
Budget Bureau No. 1004-0136
Expires: December 31, 1991

LEASE DESIGNATION AND SERIAL NO.

NM-29281

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK

DRILL ☒

DEEPEN ☐

b. TYPE OF WELL

OIL WELL ☒

Gas Well ☐

OTHER

SINGLE ZONE ☐

MULTIPLE ZONE ☐

2. NAME OF OPERATOR

Mack Energy Corporation

3. ADDRESS AND TELEPHONE NO.

P.O. Box 960, Artesia, NM 88211-0960

(505) 748-1288

4. LOCATION OF WELL (Report location clearly and in accordance with any state requirement.)*

At surface

At proposed prod. zone

1525 FNL & 990 FWL

UNORTHODOX LOCATION

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*

6.25 miles west of Loco Hills

15. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT.
(Also to nearest drlg. unit line, if any)

990

16. NO. OF ACRES IN LEASE

160

17. NO. OF ACRES IN LEASE
TO THIS WELL

40

18. DISTANCE FROM PROPOSED LOCATION*

TO NEAREST WELL, DRILLING, COMPLETED
OR APPLIED FOR, ON THIS LEASE, FT.

660

19. PROPOSED DEPTH

5000

20. ROTARY OR CABLE TOOLS

Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)

3610' GR

Known Controlled Water Basin

22. APPROX. DATE WORK WILL START*

4/10/02

23.

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
17 1/2	K-55, 13 3/8	48	325	Circ
12 1/4	K-55, 8 5/8	24	850	Sufficient to Circ
7 7/8	J-55, 5 1/2	17	5000	Sufficient to Circ

Mack Energy proposes to drill to a depth sufficient to test the Paddock and San Andres formation for oil. If productive, 5 1/2" casing will be cemented. If non-productive, the well will be plugged and abandoned in a manner consistent with federal regulation. Specific programs as per Onshore Oil and Gas Order #1 are outlined in the following attachments:

1. Surveys

Exhibit #1- Well Location Plat
Exhibit #2- Vicinity Map
Exhibit #3- Location Verification Map

4. Certification

5. Hydrogen Sulfide Drilling Operation Plan

Exhibit #7- H2S Warning Sign
Exhibit #8- H2S Safety Equipment

7. Responsibility Statement

2. Drilling Program

3. Surface Use & Operating Plan

Exhibit #4- One Mile Radius Map
Exhibit #5- Production Facilities Layout
Exhibit #6- Location Layout

6. Blowout Preventers

Exhibit #9- BOPE Schematic
Exhibit #10- Blowout Preventer Requirements
Exhibit #11- Choke Manifold

APPROVAL SUBJECT TO
GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONS
ATTACHED

NSL-4708

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24.

SIGNED

Jerry W. Shenell

TITLE

Production Clerk

DATE

2/28/02

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY

/s/ LESLIE A. THEISS

TITLE

FIELD MANAGER

DATE

APR 03 2002

*See Instructions On Reverse Side

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

APPROVAL FOR 1 YEAR

RECEIVED

2002 MAR - 1 AM 10:55

BUREAU OF LAND MGMT.
FOSWELL OFFICE